

The monthly newsletter of RegisterAnAircraft.com – the Aviation Division of The Sovereign Group

ABACE 2013 - The Chinese market

ABACE 2013, held for the second year at Shanghai's Hongqiao International Airport from 16 - 18 April, surpassed the performance of last year's successful event by a considerable margin. In terms of numbers, 7,714 visitors represented an increase of 20% over the previous year and 180 exhibitors was an increase of 15%, while a static display of 34 aircraft was a considerable uplift on last year's figures.

ABACE, the Asian Business Aviation Convention & Exhibition, is co-hosted by the NBAA and AsBAA, the Asian Business Aviation Association. The show attracted senior figures from both the Chinese government and the Civil Aviation Administration of China (CAAC), keen to discuss development of corporate aviation in China. NBAA President Ed Bolen said: "We are very pleased to see the continued excitement about the future of business aviation in China, and across the broader Asian region, as demonstrated by the numbers for this year's event."



As in 2012, the event attracted the world's manufacturers in force – testament to the strength and, more importantly, the potential of the Chinese market. Gulfstream in particular was noted for displaying a full set of aircraft including the G280 and flagship G650. In a significant move, local operator Deer Jet announced the establishment of the country's first fractional ownership operation. This comes in advance of the planned launch in China next year of Warren Buffett-owned NetJets, although this move will initially involve management and charter rather than its trademark fractional model.

It was pure coincidence but timely nonetheless that, just a week after the show closed, The Sovereign Group announced that it had acquired The JLJ Group, an integrated services provider with offices in Beijing and Shanghai that accelerates international companies' ability to understand and operate in the China market. For more information visit www.SovereignGroup.com

EBACE 2013 - The 13th European Business Aviation Convention & Exhibition – will be held in Geneva from 21 - 23 May. RANA Director Brian T Richards will be attending the first two days of the event. Should you wish to meet during the show please email brichards@SovereignGroup.com.

Cessna's gloomy outlook

On 17 April, Textron, parent of Cessna Aircraft, reported its trading for the first quarter of 2013. Cessna delivered 32 new jets in the first quarter, six fewer than in the same period in 2012. This announcement and the company's downbeat assessment of the corporate jet market have sent shockwaves around an already nervous industry. The company confirmed on the basis of these figures that it is reducing its forecast for the whole of 2013 and that it will have to adjust production schedules and workforce as a result.

Although Cessna is investing heavily in a range of new models, the announcement makes clear that the problem lies with the light jet sector. It is the Mustang and CitationJet models which will see the most difficult market outlook. In fact the company expects deliveries in this class to be down by 25%.

RANA SERVICE CENTRE:

Aircraft registration

The decision on where to register an aircraft is perhaps just as important as which aircraft to buy. There is quite simply no "best" or "one size fits all" solution to registration. What will work for one owner may not work for another. What is important to one owner may not be of great concern to another. These considerations become even more critical as new jurisdictions try to attract aircraft to their registries.

We always ask our clients two fundamental questions – how will the aircraft be used and where will it operate? The answers we receive provide the key pointers in helping us advise on the right jurisdiction for registration. RANA's specialist aviation team benefits from having established links with many of the world's major registries and is well placed to offer advice on these questions.



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The Isle of Man Aircraft Register six years on - the numbers

The third annual Isle of Man Aviation Conference is to be held on the island on 13 June with the theme of "The Global Connection". The event's success is evidence of the high profile and popularity of the Manx aircraft registry, which has just marked six years since it commenced operations on 1 May 2007. The registry, now moving up the top ten corporate jet jurisdictions, has recently been voted "the world's most popular". With this significant anniversary, we thought it would be an interesting exercise to examine the numbers by looking in detail at the register published on 1 May this year.

By 1 May this year the Isle of Man had registered a total of 583 aircraft. Of these, 401 remain current. The vast majority of these aircraft (numbering some 290) are corporate jets, with a further 53 turboprops. Of the remaining aircraft, there are 23 helicopters and 14 light aircraft (a category only available to Manx residents). Finally, the register lists a total of 21 commercial airliners currently classed as "dormant" – between leases or in storage. Since inception, this registration of airliners, often for very brief periods, has proved a lucrative business stream for the registry with a total of 76 aircraft listed.

Looking at corporate jets, over a third of the current aircraft are new build, having been placed straight on the register. The remainder hail from jurisdictions around the world, both onshore and offshore, with 54 of the 290 re-registered from the USA.

Corporate Aircraft News

As we reported last month the first new Citation Sovereign was rolled out from Cessna's production facility on 4 March. Seven weeks later, on 24 April, the first production aircraft completed its maiden flight from Wichita Mid-Continent airport. The company's flight test pilot Matt Freund commented that "the aircraft handling characteristics and performance were exceptional, just as we had anticipated after flying more than 1,300 hours in three flight-test articles." Customer deliveries are expected to commence in the third quarter of this year.

On 1 May, Embraer delivered the first of 50 ordered Phenom 300 Signature Series to fractional jet operator NetJets. The aircraft was handed over at the company's facility in Melbourne, Florida. The Berkshire Hathaway company also holds options for a further 75 aircraft. The initial aircraft will be manufactured in Brazil with production expected to shift to Florida next year.

Dassault announced that the Falcon 2000S and 2000LXS have received FAA certification. EASA approval was granted in March. The manufacturer also announced that it has delivered the first 2000S to a Turkish customer.

AIRCRAFT FACT FILE:

Airbus ACJ320



CATEGORY:

Heavy Jet

MANUFACTURER:

Airbus, Multi-National

ENGINES:

2x CFM56-5B4/3 or 2x V2527-A5

LENGTH:

37.57 m

WINGSPAN:

34.10 m

RANGE:

8,000 km

MAX. SPEED:

898 kmh

SEATING CAPACITY:

Typical 8, up to 19

NO. OF CREW:

4

MAXIMUM TAKE-OFF WEIGHT (MTOW):

77,000 kg

DESCRIPTION:

The ACJ320, the corporate version of the commercial Airbus A320 model, was originally launched as the A320CJ Prestige in 2000. The manufacturer boasts that the aircraft offers the "most spacious cabin in the corporate jet market – with almost 100m² of cabin floor area, an infinite number of cabin arrangements can be accommodated."

The aircraft can also be equipped with additional fuel tanks to extend the operating range. Unsurprisingly, the ACJ320 shares a common "fly-by-wire" cockpit with all other Airbus models, making crew transition easier. The aircraft has proved comparatively popular with charter operators and is also used by several air arms. Its place as the largest single aisle ACJ will be taken next year when the first ACJ321 is delivered.